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Before the
Federal Communications Commission
Washington D.C. 20554

In the Matter of

Amendment of Section 73.622(i) of
the Commission's Rules,
DTV Table of Allotments
(Flagstaff, AZ)

MB Docket No. _____

RM No. _____

To: Office of the Secretary, Federal Communications Commission
Attn: Chief, Media Bureau

FILED/ACCEPTED
JUN 20 2008
Federal Communications Commission
Office of the Secretary

PETITION FOR RULEMAKING

Multimedia Holdings Corporation ("MHC"), the licensee of KNAZ-DT,
Flagstaff, AZ (Fac. ID No. 24749) (the "Station"), by its attorneys, hereby submits this
Petition for Rulemaking to modify the DTV Table of Allotments (the "DTV Table")
contained in Section 73.622(i) of the Commission's rules.¹

KNAZ-TV operates on analog channel 2 and was allotted channel 22 in the initial
DTV Table of Allotments.² The station currently is operating a channel 22 digital
facility.³ In the channel election process, MHC chose to return KNAZ-DT to channel 2
for post-transition operations.⁴ The DTV Table reflects that position.⁵ For the reasons

¹ See 47 C.F.R. §§ 1.401, 73.622(i).

² See *Advanced Television Systems and Their Impact upon the Existing Television Broadcast Service*, 12 FCC Rcd. 14589, 14783 (1997).

³ See FCC File No. BLCDT-20070119AAN.

⁴ See FCC File No. BFRECT-20050210AAB (First Round DTV Channel Election).

⁵ See 47 C.F.R. §§ 73.622(i).

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set forth below, MHC has determined that KNAZ-TV will be unable to build post-transition facilities on channel 2. On the other hand, the Station has determined that continued post-transition operation on channel 22 will benefit the public interest. First, such operation will permit KNAZ-DT to complete its digital transition early. Second, continued operation on channel 22 will allow KNAZ-DT to deploy Mobile DTV, which cannot reasonably be implemented on low-VHF channels like channel 2. Mobile DTV promises numerous benefits for the public, including the delivery of new content to mobile devices and enhancements to the quality and functionality of our nation's Emergency Alert System ("EAS").

Accordingly, MHC respectfully petitions the FCC to modify the specifications set forth for the Station in the DTV Table to change the KNAZ-DT's allotment from channel 2 to 22, reflecting the parameters contained in the Station's current DTV license.⁶

Introduction

KNAZ-TV – the lone full-power, major network affiliate licensed to Flagstaff, Arizona – has been losing money for many years. Accordingly, the Station endeavored to create a DTV transition plan that would (1) allow the station to provide quality digital service to the Flagstaff market and (2) be consistent with economic realities. KNAZ-TV initially determined that the most cost-effective buildout approach – which is reflected in the specifications provided for the Station in the DTV Table⁷ – would be to operate post-

⁶ See FCC File No. BLCDT-20070119AAN.

⁷ See 47 C.F.R. §§ 73.622(i).

transition on channel 2, the Station's current analog channel. In the meantime, the Station constructed and continues to operate pre-transition channel 22 digital facilities.⁸

Intervening events have undercut the station's DTV buildout plans severely, however, and it is no longer technically or economically possible for the Station to construct or operate channel 2 DTV facilities. Fortunately, there is an alternate approach to the KNAZ-TV DTV buildout that will allow the Station to continue to provide robust digital service to the Flagstaff market after the transition. Specifically, KNAZ-TV can operate its currently licensed channel 22 DTV facility post-transition consistent with the Commission's spacing and interference requirements,⁹ without incurring unrealistic and unjustifiable buildout costs. The channel 22 facility provides excellent market coverage that is comparable to the post-transition digital service that other full-power stations licensed to Flagstaff will provide.¹⁰ Continued digital operation on channel 22 also will serve the public interest by allowing KNAZ-TV to complete its digital transition early and provide new and innovative services such as Mobile DTV to consumers.

In short, while KNAZ-TV remains fully committed to providing DTV service to the Flagstaff market after the transition, due to changed circumstances, the Station simply cannot construct the channel 2 facilities specified in the DTV Table. Therefore, MHC respectfully requests that the Commission modify the DTV Table to allow KNAZ-TV to continue operating its licensed channel 22 DTV facilities following the nation's transition to digital television.

⁸ See FCC File No. BLCDDT-20070119AAN.

⁹ See Engineering Statement of Richard Mertz, ("Mertz Statement"), attached hereto at Exhibit A.

¹⁰ See *id.*

KNAZ-TV and the Economic Realities of the Flagstaff Television Market

Flagstaff is in the Phoenix (Prescott), AZ Nielsen Designated Market Area (“DMA”).¹¹ This DMA is extremely large, covering approximately two thirds of the state of Arizona.¹² While ten full power stations are licensed to Phoenix, only three (including KNAZ) are licensed to the smaller community of Flagstaff.¹³ Aside from KNAZ, no other major network affiliate serves the Flagstaff market with a full-power station.¹⁴ KNAZ-TV is the only major network full-power station in Flagstaff: the city’s other two full-power stations, KCFG(TV) and KFPH-TV, are affiliated with the America One and TeleFutura Networks, respectively.¹⁵ Simply put, Flagstaff is not a good market for supporting viable full power television operations.

Not surprisingly, KNAZ-TV’s full-power operations in Flagstaff have been losing money for quite some time – indeed, ever since MHC acquired the station in May 1997.¹⁶ The economic challenges facing KNAZ-TV specifically – and the Flagstaff market generally – must be considered when the Station undertakes any task that involves significant capital expenditures, such as the Station’s transition to digital.

¹¹ See 2008 *Broadcasting & Cable Yearbook* at B-206.

¹² See *id.*

¹³ See *id.*

¹⁴ See *id.*

¹⁵ See *id.* at B-19; www.kcfg.net.

¹⁶ See FCC File No. BALCT-199701171A . The station initially was acquired by Multimedia, Inc., but was thereafter assigned *pro forma* to MHC. See FCC File No. BALCT-19991028AAZ. Concurrently herewith, MHC is submitting a confidential filing containing further information concerning station operating losses.

KNAZ-DT's Initial Buildout Plan

Consistent with the foregoing, KNAZ-TV wishes to provide high quality post-transition digital service to the Flagstaff market at a reasonable, economically feasible cost. Accordingly, KNAZ-TV initially planned to use the Station's existing channel 2 analog antenna, along with a solid state transmitter provided by a sister station in another market, to provide post-transition digital service.¹⁷ This approach would have allowed the Station to provide high quality digital service to the Flagstaff market at a reasonable cost and without having to invest substantially in new equipment.

Unfortunately, intervening events have rendered a channel 2 DTV buildout impossible. First, several severe ice storms during the past winter (unusual compared to recent winters) severely damaged the channel 2 antenna. Second, as a result of this damage and contrary to the Station's expectations when it made its DTV channel election, the channel 2 antenna is in the process of burning itself up. The Station first detected high reflected power in April 2008, when the Station's transmitters started shutting down automatically (a safety mechanism designed to protect the transmitters from damage). As time progressed, these difficulties worsened. At the end of April 2008, a tower crew inspected the antenna and related equipment. This inspection revealed significant damage. Most problematically, the crew found a crack in the antenna's mast. The crew also found many broken and missing parts, including the strapping that holds the feed line to the tower. There were visible signs of arcing, and subsequent testing has demonstrated that the antenna feed line cannot support full power.

¹⁷ See FCC File No. BDTRCT-20080215AIW (DTV Transition Status Report).

In light of the foregoing, the station now is providing reduced-power analog service pursuant to STA.¹⁸ One transmitter cannot achieve 50 percent power at all because the protective circuit forces the transmitter to shut itself off when arcing occurs. Temporarily, the station is using another, less protected transmitter just to stay on the air. Initially, this transmitter could achieve 50 percent of licensed power because it tolerates more arcing. However, this arcing is gradually destroying the antenna, and now the station is only operating at approximately 30 percent power. It is likely that the antenna will fail completely in the near term. When this occurs, the station will be forced to cease providing analog service entirely.

The station has explored repairing or replacing the Channel 2 antenna, but neither is a viable option. To begin, the Station's tower is located in an area that is inaccessible for installation and major tower work from October through May. The cost of repairing the existing antenna is prohibitive and would far exceed the cost of obtaining a new antenna. Nor is it possible to replace the antenna at this point in the transition, due to the backlog of orders for digital antennas. Moreover, even if the station were able to obtain a used antenna from a current low-VHF station, it would be extremely difficult to get that antenna onto the tower. KNAZ-TV would be required to cut the lengthy antenna into pieces and have it airlifted into place – at a cost of several hundred thousand dollars.

For all of the above reasons, MHC is faced with the unanticipated fact that there will be no channel 2 antenna available for KNAZ-DT to use for post-transition digital operations. However, continued digital operation on channel 22 presents a solution to this desperate situation.

¹⁸ See FCC File No. BLSTA-20080513ACD.

An Alternate Approach to the KNAZ-DT Buildout

KNAZ-TV remains committed to providing digital service to the Flagstaff market after the digital transition. In view of the failure of the channel 2 antenna, however, the only viable option for doing so is for the Station to continue operating its current channel 22 digital facilities after the transition. The Station has studied this plan carefully and determined that continued operation on channel 22 will satisfy the Commission's spacing requirements and will not interfere with the post-transition operations of any other station.¹⁹ Moreover, continued operation of KNAZ-DT's currently licensed facilities will allow the station to provide post-transition coverage substantially equivalent to the post-transition coverage of the other two full-power stations in the market - KCFG(TV) and KFPH-TV.²⁰ Specifically, from a population standpoint, KFPH-DT's post-transition facility will be the largest in the market, covering 277,365 people. KNAZ-DT's current digital facility covers 271,486 people – approximately 98 percent of the population that will be covered by KFPH-DT and approximately 99 percent of the population that will be covered by KCFG-DT.²¹ Finally, the station will be able to avoid significant economic costs that cannot be justified based on the Station's economic conditions or the economics of the Flagstaff market as a whole.

¹⁹ See Mertz Statement.

²⁰ See *id.*

²¹ See *id.*

Continued Digital Operation on Channel 22 Will Serve the Public Interest

In addition to providing KNAZ-DT with an alternative to the desperate situation currently surrounding its channel 2 DTV buildout, continued operation on channel 22 will benefit the public interest by allowing the Station to complete the digital transition early and to provide innovative new services to the public.

The Commission has consistently stated that the public interest will be served by a swift and orderly DTV transition.²² As set forth in the Station's FCC Form 387 filing, the Station would not be able to complete construction of its channel 2 post-transition facilities until June 1, 2009 (weather permitting)²³ – several months after the February 17, 2009 DTV transition deadline. Of course, even this extended timeline is far from realistic now because the plan set forth in the FCC Form 387 did not account for the subsequent events that have resulted in the gradual destruction of the station's channel 2 antenna. On the other hand, if the Commission grants the relief requested herein, the Station will have completed its digital transition months before the end of the transition.

²² See e.g., *In the Matter of Advanced Television Systems and their Impact Upon the Existing Television Broadcast Service*, MB Docket 87-268, Seventh Report and Order and Eighth Further Notice of Proposed Rulemaking at ¶ 3, 7-15 (Aug. 6, 2007) (noting the need to act expeditiously in light of the hard deadline set by Congress and expressing a desire to maximize broadcasters' ability to meet the deadline to continue serving the public through orderly channel selection process); *In the Matter of Advanced Television Systems and their Impact Upon the Existing Television Broadcast Service*, MB Docket 87-268, Memorandum Opinion and Order on Reconsideration of the Seventh Report and Order and Eighth Report and Order, ¶ 3, 6-11 (Mar. 6, 2008) (same); see generally, *In the Matter of Third Periodic Review of the Commission's Rules and Policies Affecting the Conversion to Digital Television*, MB Docket 07-91, Report and Order, at ¶ 10-11 (Dec. 31, 2007).

²³ See FCC File No. BDTRCT-20080215AIW (DTV Transition Status Report).

The Commission also has stated that the transition to digital will allow broadcasters to serve the public by providing a wide array of new and innovative services.²⁴ MHC's parent company is a founding member of the Open Mobile Video Coalition and is currently planning to deploy the new mobile ATSC standard for mobile digital television as soon as work is finished on the standard and equipment implementing that standard is commercially available. Deploying mobile DTV will permit consumers to receive an over-the-air digital signal on small, handheld, and portable devices. Mobile DTV also will help maximize the ability of broadcasters to provide multipoint safety alerts to users away from their homes in a manner that is not constrained by the capacity of one-to-one wireless telecommunications systems. This benefit will be particularly important during weather emergencies, when power outages may minimize the ability of consumers to access free, over-the-air television through stationary television monitors.²⁵ In addition, research has demonstrated that over-the-air television channels are highly demanded by consumers using mobile video devices.²⁶

²⁴ See, e.g., *In the Matter of Third Periodic Review of the Commission's Rules and Policies Affecting the Conversion to Digital Television*, MB Docket 07-91, Report and Order, at ¶ 10-11 (Dec. 31, 2007); *In the Matter of DTV Consumer Education Initiative*, MB Docket No. 07-148, Report and Order, at ¶ 1 (Mar. 3, 2008).

²⁵ Indeed, the Commission's open proceeding concerning improvements to the Emergency Alert System highlight the importance of ensuring that emergency alerts reach consumers via a variety of mechanisms and in a variety of circumstances. See, e.g., *In the Matters of Review of the Emergency Alert System and Independent Spanish Broadcasters Association, the Office of Communication of the United Church of Christ, Inc., and the Minority Media and Telecommunications Council, Petition for Immediate Relief*, EB Docket , 04-296, Second Report And Order and Further Notice of Proposed Rulemaking, ¶ 72-75 (July 12, 2007).

²⁶ Richard V. Ducey, Mark R. Fratrik, & Joseph S. Kraemer, *Study of the Impact of Multiple Systems for Mobile/Handheld Digital Television* (Jan. 14, 2008), http://www.bia.com/pdf/BIAs_Mobile_Handheld_DTV_Standardization_Report.pdf (discussing expected demand for mobile television in several markets and estimating potential significant revenues for broadcasters); see also, e.g. Laura M. Holson, *U.S. Will Lag in Tech Growth, Study Says*, The New York Times, June 18, 2008,

Recent field tests have indicated, however, that mobile DTV will work effectively only on UHF and high VHF frequencies.²⁷ In all likelihood, channel 2 will not work at all with the new mobile DTV standard. Mobile DTV will work exceptionally well at UHF Channel 22, however. Accordingly, it would serve the public interest for MHC to be able to operate Station KNAZ-TV on Channel 22, so that it can fully deploy mobile DTV technologies that will provide new and innovative services to the public in the future.

Conclusion

Notwithstanding significant economic difficulties and unanticipated technical problems, KNAZ-DT wishes to provide quality DTV service to the public after the transition. The only viable option for doing so is for the Station to continue its current channel 22 DTV operations after the transition. In addition to providing MHC with a solution to the insurmountable difficulties surrounding post-transition operations on channel 2, continued operations on channel 22 will allow KNAZ to complete the DTV transition early and to bring new and innovative services to the public. Accordingly, to serve the public interest, MHC respectfully asks the Commission to modify the Station's

<http://www.nytimes.com/2008/06/18/technology/18mobile.html?8br> (stating that the U.S. market for mobile television is expect to reach about \$2.1 billion by 2012).

²⁷ See Doug Lung, *How Well Does High VHF Work for DTV?*, TV Technology, <http://www.tvtechnology.com/pages/s.0001/t.12659.html> (April 9, 2008).

specifications in the DTV Table to reflect post-transition DTV operation on channel 22 under the parameters contained in the Station's current DTV license.²⁸

Respectfully Submitted,

MULTIMEDIA HOLDINGS CORPORATION

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Dated: June 20, 2008

²⁸ See FCC File No. BLCDDT-20070119AAN.

EXHIBIT A – ENGINEERING STATEMENT OF RICHARD MERTZ

Engineering Statement
REQUEST FOR CHANGE IN DTV CHANNEL
prepared for
Multimedia Holdings Corporation
KNAZ-TV Flagstaff, Arizona
Facility ID 24749
Ch. 22 283 kW (MAX-DA) 465 m

Multimedia Holdings Corporation ("Multimedia") is the licensee of analog television station KNAZ-TV, Channel 2, Flagstaff, Arizona (BLCT-19811006KM) and is currently authorized to operate the paired pre-transition digital television facility for KNAZ-TV on Channel 22 (see BLCDT-20070119AAN). *Multimedia* also holds a construction permit for a post-transition DTV operation on Channel 2 (see BPCDT-20080417AAB) but now proposes herein to modify its final DTV allotment facility from Channel 2, as established by the Commission¹, to specify Channel 22 as its final post-transition Channel using the facilities in the existing licensed pre-transition facility.

The instant proposal meets the interstation spacing requirements set forth in Section 73.632(2)(1) of the Commission's Rules as demonstrated in **Table I**². Additionally, a post-transition interference study was performed in accordance with the methods set forth in the Commission's OET Bulletin No 69 ("OET-69"). The results of the studies indicate that no new interference in excess of the 0.5% limit established in the Commission's Third Periodic Review³ is caused to affected stations by the post-transition KNAZ-TV proposal. A summary of the post-transition interference study is provided in the attached **Table II**.

The proposed post-transition operation provides contour population coverage comparable to the other full service post-transition television stations allotted to Flagstaff. The following table provides a comparison of the contour populations.

¹ See *Memorandum Opinion And Order On Reconsideration Of The Seventh Report And Order And Eighth Report And Order, In the Matter of Advanced Television Systems and Their Impact Upon the Existing Television Broadcast Service*, MB Docket No. 87-268, FCC 08-72, released March 6, 2008.

² Vacant analog television allotments have been removed from this listing since the proposed allotment is planned for operation after the analog television shut down on February 17, 2009.

³ See *Report and Order, Third Periodic Review of the Commission's Rules and Policies Affecting the Conversion To Digital Television*, MB Docket No. 07-91, FCC 07-228, Released December 31, 2007.

Engineering Statement

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<u>Station</u>	<u>City</u>	<u>State</u>	<u>File Number</u>	<u>Contour Population (2000 Census)</u>
KCFG(TV)	Flagstaff	AZ	BMPCDT-20060329AJP	274,605
KFPH-TV	Flagstaff	AZ	BPCDT-20080312AEW	277,365
KNAZ-TV	Flagstaff	AZ	BLCDT-20070119AAN	271,486

Conclusion

As proposed herein, a change in the digital allotment for KNAZ-TV to remain on its pre-transition channel permits continued uninterrupted digital service to Flagstaff.

Certification

The undersigned hereby certifies that the foregoing statement and exhibits were prepared by him or under his direction, and that it is true and correct to the best of his knowledge and belief. Mr. Mertz is a principal in the firm of *Cavell, Mertz & Associates, Inc.*, holds a Bachelor of Science degree from Oglethorpe University, and has submitted numerous engineering exhibits to the Federal Communications Commission. His qualifications are a matter of record with that agency.



Richard H. Mertz
June 20, 2008

Cavell, Mertz & Associates, Inc.
7839 Ashton Avenue
Manassas, Virginia 20109
703-392-9090

Attachments

Table I	Spacing Study
Table II	Interference Study Results

Table I
SPACING STUDY

prepared for
Multimedia Holdings Corporation
KNAZ-TV Flagstaff, Arizona
Facility ID 24749
Ch. 22 283 kW (MAX-DA) 465

Channel Status	Call Sign Service	City/State File Number	Fac. ID	Latitude Longitude	Power HAAT	Distance Bearing	Required Clear
21 CP	KBFG-LD LD	FLAGSTAFF, AZ BDCCDTL-20061026AEU	168182	34 58 06 111 30 29	15.0 0	0.03 270.00	< 12.0 11.97
22 LIC	KNAZ-TV DT	FLAGSTAFF, AZ BLCDT-20070119AAN	24749	34 58 06 111 30 28	283.0 465	0.00 0.00	223.70 -223.70
22 CP	K22IE-D LD	NAVAJO MTN.SCH.,ETC., UT BDCCDTT-20061023ACT	167989	37 01 17 110 45 59	0.006 0	237.41 16.07	217.30 20.11

Table II
INTERFERENCE STUDY RESULTS
 prepared for
Multimedia Holdings Corporation
 KNAZ-TV Flagstaff, Arizona
 Facility ID 24749
 Ch. 22 283 kW (MAX-DA) 465 m

<u>Channel</u>	<u>Affected Station</u>	<u>City, State</u>	<u>File Number</u>	<u>7th R&O Table Baseline (2000 Census)</u>	<u>Calculated Baseline (2000 Census)</u>	<u>Interference Population 7th R&O facility (2000 Census)</u>	<u>Interference Population with Proposal (2000 Census)</u>	<u>New Interference</u>	
								<u>Population</u>	<u>Percentage</u>
22	KVYE(TV)	El Centro, CA	BPCDT-19991029ACL	325,000			--- No Interference ---		
22	KVYE(TV)	El Centro, CA	Reference	325,000			--- No Interference ---		
22	KVMY(TV)	Las Vegas, NV	BMPCDT-20060630AAJ	1,351,000			--- No Interference ---		
22	KVMY(TV)	Las Vegas, NV	Reference	1,351,000			--- No Interference ---		

EXHIBIT B – DECLARATION OF DAVID LOUGEE

DECLARATION OF DAVID LOUGEE

I, David Lougee, am Vice President of Multimedia Holdings Corporation, the licensee of KNAZ-DT, Flagstaff, AZ (Fac. ID No. 24749) (the "Station"). I hereby declare the following under penalty of perjury:

1. Several severe ice storms during the past winter (unusual compared to recent winters) severely damaged the channel 2 antenna.
2. As a result of this damage, and contrary to the Station's expectations when it made its DTV channel election, the channel 2 antenna is in the process of burning itself up.
3. The Station first detected high reflected power in April 2008, when the Station's transmitters started shutting down automatically (a safety mechanism designed to protect the transmitters from damage).
4. As time progressed, these difficulties worsened.
5. At the end of April 2008, a tower crew inspected the antenna and related equipment. This inspection revealed significant damage. Most problematically, the crew found a crack in the antenna's mast. The crew also found many broken and missing parts, including the strapping that holds the feed line to the tower. There were visible signs of arcing, and subsequent testing has demonstrated that the antenna feed line cannot support full power.
6. The station is now is providing reduced-power analog service pursuant to STA. See FCC File No. BLSTA-20080513ACD. One transmitter could not achieve 50 percent power at all, because the protective circuit forces the transmitter to shut itself off when arcing occurs. Temporarily, the station is using another, less protected transmitter just to

stay on the air. Initially, this transmitter could achieve 50 percent of licensed power because it tolerates more arcing. However, this arcing is gradually destroying the antenna, and now the station is only operating at approximately 30 percent power.


7. It is likely that the antenna will fail completely in the near term. When this occurs, the station will be forced to cease providing analog service entirely.

8. The Station's tower is located in an area that is inaccessible for installation and major tower work from October through May.

9. The cost of repairing the existing antenna is prohibitive and would far exceed the cost of obtaining a new antenna.

10. It is not possible to replace the antenna at this point in the transition, due to the backlog of orders for digital antennas.

11. Even if the station were able to obtain a used antenna from a current low-VHF station, it would be extremely difficult to get that antenna onto the tower. KNAZ-TV would be required to cut the lengthy antenna into pieces and have it airlifted into place – at a cost of several hundred thousand dollars.



David Lougee

Dated: June 20, 2008